

426B.3^[08:22 11-14 (2B.13); 08:49 11-14 (2B.13)] **Per capita funding — repayment of Medicaid offset amount.**

1. For the fiscal years beginning July 1, 2013, and July 1, 2014, the state and county funding for the mental health and disability services administered or paid for by counties shall be provided based on a statewide per capita expenditure target amount computed in accordance with this section.

2. The statewide per capita expenditure target amount shall consist of the sum of the following:

a. A county base property tax equivalent to forty-seven dollars and twenty-eight cents per capita. Each per capita growth amount established by statute as provided in paragraph “b”, shall be added to this amount.

b. A per capita growth amount, which may be stated as a percentage of the prior fiscal year’s county base property tax per capita amount, as established by statute.

3. The per capita growth amount established by statute shall provide funding for increases in non-Medicaid expenditures from county services funds due to service costs, additional service populations, additional core service domains, and numbers of persons receiving services.

4. a. For the fiscal years beginning July 1, 2013, and July 1, 2014, a county with a county population expenditure target amount that exceeds the amount of the county’s base year expenditures for mental health and disabilities services shall receive an equalization payment for the difference.

b. The equalization payments determined in accordance with this subsection shall be made by the department of human services for each fiscal year as provided in appropriations made from the property tax relief fund for this purpose. If the county is part of a region that has been approved by the department in accordance with section 331.389, to commence partial or full operations, the county’s equalization payment shall be remitted to the region or the county, as appropriate, for expenditure as approved by the region’s governing board or in accordance with the county’s service management plan, as appropriate. The payment for a county that has been approved by the department to operate as an individual county region shall be remitted to the county for expenditure as approved by the county board of supervisors. For the fiscal year beginning July 1, 2013, and succeeding fiscal years, the payment shall be remitted on or before December 31 only for those counties approved to operate as an individual county region or to be part of a region. Remittance of the payment for a county without such approval shall be deferred until such approval is granted.

5. a. For the purposes of this subsection, “*Medicaid offset amount*” means the projected amount for a fiscal year that would have been paid from a county’s services fund for those services for persons eligible under the county’s approved service management plan that would be non-Medicaid services, but due to the persons’ enrollment in the Iowa health and wellness plan established under chapter 249N, those services are instead covered under chapter 249N.

b. For the fiscal year beginning July 1, 2013, and succeeding fiscal years, the department of human services shall calculate a Medicaid offset amount for each county for the fiscal year. The department shall adopt rules in consultation with the county finance committee specifying the information to be used in calculating a Medicaid offset amount. The information shall include but is not limited to identification of specific services and supports that would otherwise be payable by the county for persons eligible under a county’s approved service management plan but are instead paid by the Iowa health and wellness plan. The amount calculated for a county shall be subject to review by the auditor of that county or subject to independent audit. The Medicaid offset amounts calculated by the department for a county for a fiscal year are not official until certified by the director of human services and submitted to the governor and general assembly by October 15 immediately following the end of the fiscal year for which the offset amounts were calculated.

c. The Medicaid offset amounts certified for each county by the director of human services for the fiscal year beginning July 1, 2013, shall be annualized by doubling the amounts. For the fiscal year beginning July 1, 2014, a county shall repay the state from any equalization payment due the county for the fiscal year, eighty percent of the county’s annualized Medicaid offset amount for the fiscal year beginning July 1, 2013. To the extent a county’s repayment

obligation for the fiscal year beginning July 1, 2014, exceeds the amount of any equalization payment due the county for the fiscal year, the county shall, for the following fiscal year, reduce the dollar amount of the county's services fund levy by the amount of the excess.

d. For the fiscal year beginning July 1, 2015, and succeeding fiscal years, a county shall repay the state from any equalization payment due the county for the fiscal year, eighty percent of the county's Medicaid offset amount certified for the previous fiscal year. To the extent a county's repayment obligation for a fiscal year exceeds the amount of any equalization payment due the county for that fiscal year, the county shall, for the following fiscal year, reduce the dollar amount of the county's services fund levy by the amount of the excess.

e. A county's repayment pursuant to this subsection shall be remitted on or before January 1 of the fiscal year in which repayment is due and shall be credited to the property tax relief fund. Moneys credited to the property tax relief fund in accordance with this paragraph are subject to appropriation by the general assembly to support mental health and disability services administered by the regional system.

95 Acts, ch 206, §19; 97 Acts, ch 198, §6; 98 Acts, ch 1100, §60; 2012 Acts, ch 1019, §133; 2012 Acts, ch 1120, §137, 139, 140^[15:20 07-11 (Order)]; 2013 Acts, ch 138, §180, 187; 2013 Acts, ch 140, §177, 186

Referred to in §426B.1, 426B.2

^[08:11 09-04 (FN Del)]^[08:11 09-04 (FN Added)][SP] 2012 amendment to this section takes effect July 1, 2013, and is applicable commencing with the budget and tax levy certification process for the fiscal year beginning July 1, 2013; 2012 Acts, ch 1120, §139, 140

^[08:11 09-04 (FN Added)][SP] Subsection 5 takes effect June 20, 2013, to be implemented effective January 1, 2014, contingent upon receipt of federal approval of medical assistance state plan amendment or waiver request; 2013 Acts, ch 138, §187

^[08:11 09-04 (FN Added)][T] Section stricken and rewritten